



Task Force on Trial Court Employees
Meeting Minutes
July 28–30, 1999
Judicial Council Conference Center
San Francisco, California

TASK FORCE MEMBERS:

PRESENT:

Hon. James A. Ardaiz, Chair
Ms. Pamela Aguilar
Ms. Barbara J. Bare
Hon. Aviva K. Bobb
Hon. Charles D. Field
Ms. Karleen A. George
Ms. Diane Givens
Ms. Mary Louise Lee
Mr. Ronald G. Overholt
Ms. Christine E. Patton
Mr. Steve Perez
Sheriff Charles Plummer
Mr. John Sansone
Mr. Larry Spikes
Mr. Robert Straight
Mr. Mike Vargas

ABSENT:

Mr. Gary Cramer (represented by
Beth Winters)
Mr. Karleen A. George (7/30/99)
Mr. Robert D. Walton

PRESENTERS:

Mr. Drew James, Actuary, William M. Mercer, Inc.
Mr. Ken Marzion, Chief, Actuarial and Employer Services
Division, CalPERS
Mr. Steve Keil, Legislative Coordinator, California State
Association of Counties
Ms. Barbara McGeoch, Benefits Attorney, William M.
Mercer, Inc.

ADMINISTRATIVE OFFICE OF THE COURTS STAFF:

Ms. Judith A. Myers, Director, Human Resources Bureau
Ms. Deborah Brown, Attorney, Council and Legal Services
Division
Ms. Noema Olivas, Secretary, Human Resources Bureau
Ms. Hazel Ann Reimche, Human Resources Analyst, Human
Resources Bureau
Ms. Sharon Smith, Staff Analyst, Human Resources Bureau

OTHER STAFF:

Mr. Nathan Bitting, Administrative Coordinator, Career
Group, Inc.
Ms. Dana Cassino-Stamey, Human Resources Analyst,
HR Solutions
Mr. Ryan Griffiths, Administrative Coordinator, Career
Groups, Inc.

FACILITATOR:

Ms. Liz Schiff, Organizational Development Specialist,
Human Resources Bureau, Administrative Office of the
Courts

Wednesday, July 28, 1999

I. WELCOME

Justice Ardaiz called the meeting to order at 10:20 a.m. in San Francisco and welcomed everyone to the 15th meeting of the task force.

II. PUBLIC COMMENT PERIOD

Justice Ardaiz introduced one guest during the public comment period. Mr. Guy Decker, Chief Deputy, Superior Court of California, County of San Francisco, commented and asked questions for clarification about the task force's interim report recommendations relative to defined-benefit retirement plans.

III. REVIEW OF JUNE TASK FORCE MEETING AND ANNOUNCEMENTS FOR THE JULY MEETING

Justice Ardaiz summarized the actions of the task force at the June 14–15, 1999, meeting, as follows: (1) finalized definitions, assumptions, objectives, and models for:

- Accrued leave;
- Group insurance benefits; and
- Other employer-provided benefits;

(2) identified issues related to retirement benefits for new employees; (3) provided update on survey and report format for unions; (4) reviewed transition assumptions, objectives, and model and reached general agreement; (5) reviewed interim report comments and agreed on appropriate responses/actions; and (6) revisited timeline and reached agreement on extension.

Justice Ardaiz discussed the following objectives for the July meeting:

- Provide an opportunity for communication through public comment period;
- Reach agreement regarding the task force's timeline;
- Agree on a process for drafting legislation for the task force's recommendations;
- In relation to the interim report:
 - Review additional comments and determine appropriate responses; and
 - Based on input from the task force at the June 14–15 meeting, revisit personnel components and modify as appropriate;
- Review survey analyses and determine reports needed;
- In relation to retiree group insurance benefits:
 - Receive educational information;
 - Present draft assumptions, objectives, and model; and
 - Identify issues;
- Present revised retirement assumptions, objectives, and model for current and new employees; reach agreement wherever possible;
- Revisit and finalize group insurance, accrued leave, and other employer-provided benefits assumptions, objectives, and models (including as they apply to new employees);

- In relation to federally regulated benefits flexible spending accounts and cafeteria plans:
 - Receive educational information;
 - Present draft assumptions, objectives, and concepts; and
 - Identify issues;
- In relation to employee advisory vote, review and reach agreement on:
 - Employee advisory vote distribution;
 - Revised ballot formats;
 - Orientation and educational materials; and
 - Pilot process for employee advisory vote.

Ms. Liz Schiff reviewed the agenda of the meeting and ground rules.

Justice Ardaiz asked if there were any additions or corrections to the June 3, 1999, meeting minutes. Sheriff Charles Plummer moved that the June 3, 1999 minutes be accepted. Judge Charles D. Field seconded the motion. The June 3 meeting minutes were adopted without any additions or corrections and will be posted to the task force's Web site.

Justice Ardaiz asked if there were any additions or corrections to the June 14–15, 1999, meeting minutes. Sheriff Charles Plummer moved that the June 14–15, 1999 minutes be accepted. Judge Charles Field seconded the motion. The June 14–15 meeting minutes were adopted without any additions or corrections and will be posted to the task force's Web site.

IV. TASK FORCE TIMELINE

Justice Ardaiz reviewed the discussions of the task force regarding the timeline from the June 14–15 meeting. Ms. Judith A. Myers presented a revised timeline based on the task force's decision at the prior meeting to extend the deadline of the final report beyond September 1999. The task force agreed to consider the specifics of the timeline and continue the discussion later in the meeting.

V. INTERIM REPORT COMMENTS: COMMENTS AND REVISIONS

Ms. Myers summarized additional comments about the interim report that were received after the deadline. She provided an overview of the work completed at the June 14–15 1999 meeting, including the task force's recommended changes and responses to the comments.

Justice Ardaiz reviewed comments received regarding the definition of the county employment status option. In response to these comments staff had prepared alternative definitions for the purpose of a discussion. Justice Ardaiz reviewed the original definition, the discussion alternatives, and pertinent sections of the Trial Court Funding

Act. The task force formed small groups and discussed the alternatives for a county status option definition. Each group reported their issues to the full group, and the task force engaged in a discussion of the alternatives.

Ms. Myers presented proposed revisions to the definition of trial court employee based on the interim report comments received and from discussions at the previous task force meeting. Judge Aviva K. Bobb moved to adopt the changes. Ms. Mary Louise Lee seconded the motion. The definition of trial court employee was adopted and will be posted to the task force's Web site.

Ms. Myers explained the clarifying revisions proposed to the Recommended Classification Model. Mr. Larry Spikes moved to adopt the revised Recommended Classification Model. Mr. Steve Perez seconded the motion. The Recommended Classification Model was adopted and will be posted to the task force's Web site.

Ms. Myers presented a revised Recommended Salary Model. The task force made additional modifications to the model. Judge Field moved to adopt the revised Recommended Salary Model. Mr. Perez seconded the motion. The Recommended Salary Model was adopted and will be posted to the task force's Web site.

Ms. Myers presented revisions to the Recommended Meet-and-Confer Model. Members made additional revisions to the Recommended Meet-and-Confer Model. Judge Field moved to adopt the revised Recommended Meet-and-Confer Model. Mr. Spikes seconded the motion. The Recommended Meet-a-Confer Model was adopted and will be posted to the task force's Web site.

Ms. Myers presented the interim report comments received about the Recommended Employment Protection System Model. The task force members discussed the comments and model and agreed to further research and discussion.

VI. CLOSING REMARKS

Justice Ardaiz adjourned the meeting at 5:45 p.m.

Thursday, July 29, 1999

I. OPENING REMARKS

Justice Ardaiz called the meeting to order at 9:20 a.m.

Ms. Schiff reviewed a revised agenda for the remaining portions of the meeting.

II. SURVEY ANALYSIS: OVERVIEW

Ms. Myers introduced Ms. Hazel Ann Reimche who provided the task force with a brief update on the union verification of survey reports and the survey addendum about deferred compensation plans.

Ms. Myers introduced Mr. Drew James, Actuary of William M. Mercer, Inc., who presented a sampling of reports from the Trial Court Employee Survey, which included unverified data. The members reviewed and discussed the sample reports. Mr. James will research the possibility of making electronic copies for distribution of the survey data to the task force once the verification process has been completed.

III. ACCRUED LEAVE, GROUP INSURANCE, AND OTHER EMPLOYER-PROVIDED BENEFITS MODELS

Ms. Myers presented the following revised documents, which were reviewed by staff to determine if changes were necessary to incorporate future employees based on the task force's discussions during the June 14–15, 1999, meeting: *Working Group Insurance Benefits* Definition, Assumptions, Objectives, and Model for Implementation of the Trial Court Employee Personnel System; and *Working Other Employer-Provided Benefits* Definition, Assumptions, Objectives, and Model for Implementation of the Trial Court Employee Personnel System. The task force reviewed and discussed these documents. Ms. Myers reviewed the *Working Accrued Leave* Definition, Assumptions, Objectives, and Model for Implementation of the Trial Court Employee Personnel System. Staff did not identify any necessary changes to this document.

IV. PUBLIC COMMENT PERIOD

Justice Ardaiz introduced the following guest speakers during the public comment period:

Ms. Diane Carter, Superior Court of California, County of San Francisco, commented about civil service status, progressive discipline, just cause termination, and the need for statewide policies regarding trial court employee personnel issues.

Ms. Barbara J. Blake, Superior Court of California, County of San Francisco, commented on the need for an “appeal process.”

Mr. Ellias Butt, Superior Court of California, County of San Francisco, commented on concerns of court employees about becoming state employees.

V. RETIREE GROUP INSURANCE BENEFITS: EDUCATION

Ms. Myers introduced Mr. Ken Marzion, Chief, Actuarial and Employer Services Division, CalPERS. Mr. Marzion provided education and an overview of retiree health benefits offered through CalPERS.

Ms. Myers introduced Mr. Steve Keil, Legislative Coordinator, California State Association of Counties. Mr. Keil provided education about retiree group insurance benefits in 1937 Act counties. Mr. Keil described the diverse funding mechanisms and arrangements among the county systems for retiree benefits, including excess earnings, unfunded liabilities, pre-funding, and alternative funding provisions.

VI. RETIREE GROUP INSURANCE BENEFITS: DISCUSSION

Ms. Myers presented the Working Retiree Group Insurance Benefits Definitions, Assumptions, Objectives, and Model for Implementation of the Trial Court Employee Personnel System. The task force agreed to modifications and directed staff to continue the model development for further task force review.

VII. TRANSITION ISSUES: 401(k)

The task force formed small groups to discuss transition issues related to counties that offer 401(k) programs to employees. Each small group presented their findings to the full group. Ms. Schiff facilitated a discussion of these issues.

VIII. CLOSING REMARKS

Justice Ardaiz adjourned the meeting at 5:10 p.m.

Friday, July 30, 1999

I. OPENING REMARKS

Justice Ardaiz called the meeting to order at 8:50 a.m. and reviewed a revised agenda for the day.

II. FEDERALLY REGULATED BENEFITS: EDUCATION

Justice Ardaiz introduced Ms. Barbara McGeoch, Benefits Attorney of William M. Mercer, Inc. Ms. McGeoch delivered an educational presentation about flexible benefits

including flexible spending arrangements such as health care and dependent care, and cafeteria plans. She informed the task force of several options for transitioning these benefit programs for the trial court employee personnel structure.

III. ADVISORY VOTE OF TRIAL COURT EMPLOYEES

Justice Ardaiz introduced a discussion of the advisory vote of trial court employees. He reviewed the original objectives and issues related to the timing and content of the vote. He raised the following issues for discussion:

- In order to take the advisory vote, employees must be advised of the employment status options and the components of the proposed personnel structure. Therefore, the task force must finalize those decisions before the vote is conducted.
- Comments in response to the task force's second interim report may warrant revisions to some of the personnel structure models, which means the revisions must be complete prior to writing the ballot and educational materials.
- The Trial Court Funding Act does not require the task force to conduct the advisory vote. The legislation requires the task force to prepare a method for conducting the vote.
- The task force will face serious timeline issues if the final report must be completed by the end of November or the first part of December. The vote would have to be conducted in October, necessitating a complete ballot with final decisions by the task force on every issue.

Ms. Schiff asked the task force to consider the following alternatives:

1. Proceed as planned with the process for the advisory vote described in the task force's interim report, realizing the final report may not be completed by December 1999. Ms. Myers reviewed, as examples, sample advisory vote ballots and educational materials to demonstrate to the task force the number of issues that still need to be resolved.
2. Use the same advisory vote process but conduct the vote after the final report is issued. Use the results of the advisory vote to inform the Legislature.
3. Follow the mandate of the Trial Court Funding Act and recommend a process for the advisory vote and public entity poll. The task force will not actually conduct the vote.

Ms. Schiff led the task force in a discussion of the alternatives. Mr. Ronald G. Overholt moved to adopt the third alternative. The task force voted in favor of the motion; Ms. Pamela Aguilar and Ms. Barbara Bare abstained from voting. The task force directed staff to notify the trial courts and employees of this revised recommendation as soon as possible.

IV. TASK FORCE TIMELINE

Several task force members notified staff that they would not be able to attend the August 19, 1999, meeting. This meeting was rescheduled to add a third day, September 1, 1999, to the August 30–31, 1999, meeting in San Francisco. Staff will update the timeline incorporating the revised recommendation regarding the advisory vote and the rescheduled meeting.

V. DEFINED-BENEFIT RETIREMENT: NEW EMPLOYEES

Ms. Myers summarized the task force's discussions regarding retirement from the June 14–15 meeting. She reviewed the proposed revisions to the Recommended Defined-Benefit Retirement Assumptions, Objectives, and Model for Implementation of the Trial Court Employee Personnel System. The modifications were written to include current and future employees in county defined-benefit retirement plans. The task force made additional revisions to the model. Sheriff Plummer moved to accept the assumptions, objectives, and model as amended. Mr. Overholt seconded the motion. The Recommended Defined-Benefit Retirement Model for Implementation of the Trial Court Employee Personnel System was adopted and will be posted to the task force's Web site.

VI. FEDERALLY REGULATED BENEFITS: DISCUSSION

Ms. Myers reviewed the Working Federally Regulated Benefits Assumptions, Objectives, and Concepts for Model for Implementation of the Trial Court Employee Personnel System. The task force discussed and made revisions to the assumptions and objectives. The task force discussed the concepts for preparation of a model and Ms. Myers indicated a model would be developed by staff for presentation at a future meeting

VII. CLOSING REMARKS

Justice Ardaiz summarized the accomplishments of the task force at the meeting as follows:

- Reviewed additional interim report comments and agreed to a process for responding.
- In response to interim report comments, agreed to appropriate modifications to:
 - Trial court employee definition;
 - Classification model;
 - Salary model;
 - Meet-and-confer model
- Received overview of survey data; identified general types of reports needed.
- Finalized accrued leave model taking into consideration new employees.
- Proposed modifications to group insurance benefits and other employer-provided benefits.
- Received education on retiree group insurance benefits.
- Discussed retiree group insurance benefits assumptions, objectives and model; identified issues.

- Discussed options for resolving 401(k) concerns.
- Received education on federally regulated benefits; explored assumptions, objectives, and concepts.
- Agreed to revise our process for the employee advisory vote and public entity poll.
- Agreed to a revised timeline.
- Adopted assumptions, objectives, and model for defined-benefit retirement.

Justice Ardaiz adjourned the meeting at 12 p.m. and thanked the task force for their hard work during the meeting.